

LOS ANGELES COUNTY ECONOMIC FORECAST

Los Angeles County is the largest county in California, with 10.1 million people and 4.2 million wage and salary jobs. The per capita income in Los Angeles County is \$48,513, and the average salary per worker is \$66,142.

In 2014, strong improvement was observed in the Los Angeles County labor market. A total of 96,400 jobs were gained, representing a growth rate of 2.3 percent. This is slightly slower than the broader Southern California region, which was characterized by an increase of 2.6 percent. The unemployment rate in Los Angeles County declined from 9.8 percent in 2013 to 8.3 percent in 2014, which is a significant improvement.

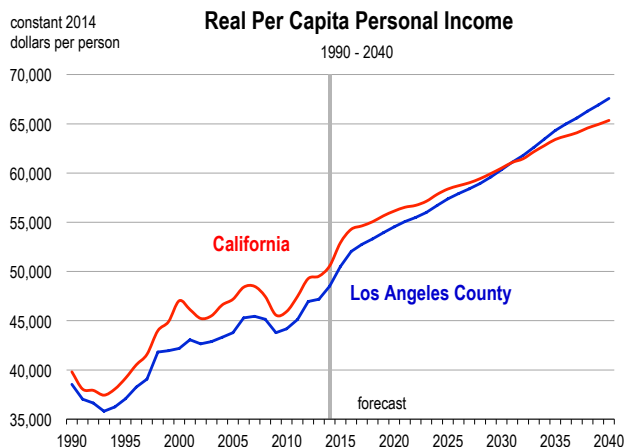
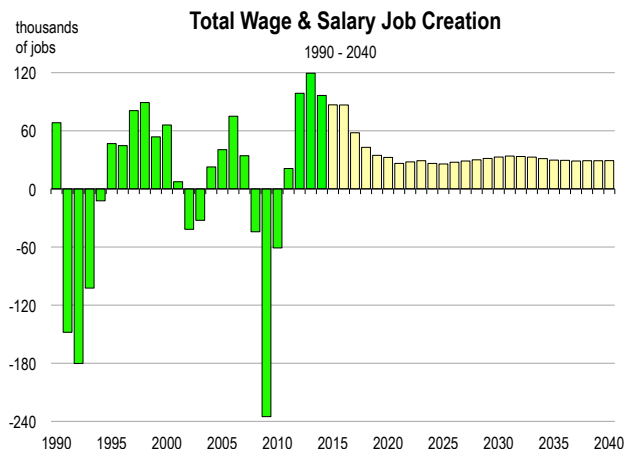
In 2014, employment growth in Los Angeles County was led by education and healthcare (+38,400 jobs), leisure and hospitality (+25,300 jobs), and professional and business services (+14,700 jobs). The largest declines occurred in manufacturing (-3,300 jobs) and financial activities (-2,100 jobs).

In previous years, Northern Los Angeles County (the Santa Clarita and Antelope Valleys) was the fastest growing area of the county. Due to a large amount of buildable land, this region was able to construct a substantial number of housing units, generating space for new residents. This trend should continue, and over the long-term the northern region will be responsible for much of the growth in the county.

Between 2009 and 2014, the Los Angeles County population increased at an annual average rate of 0.4 percent. This growth was due entirely to the natural increase (new births), as net migration was negative.

FORECAST HIGHLIGHTS

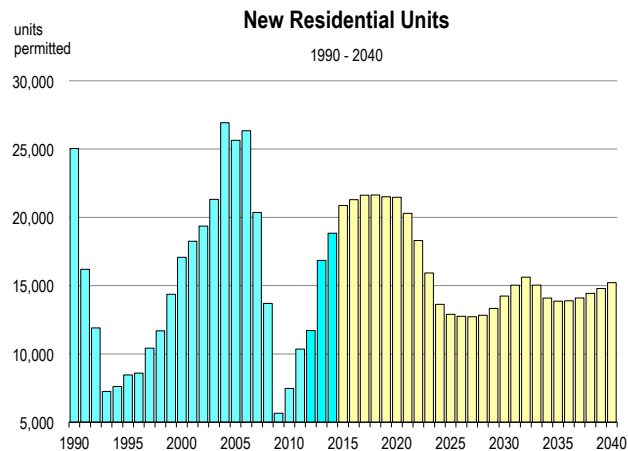
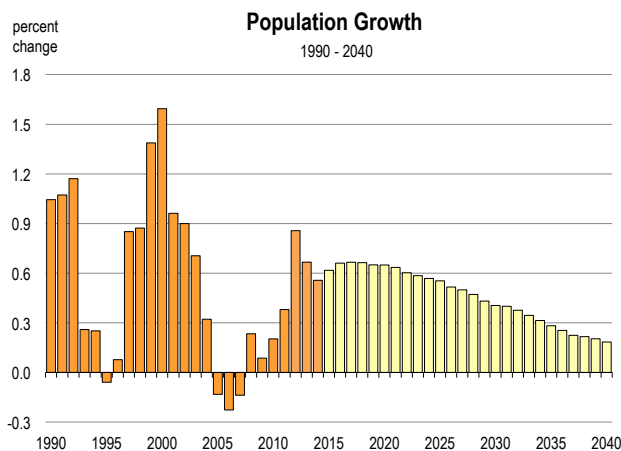
- Total employment is expected to increase by 2.1 percent in 2015. From 2015 to 2020, the growth rate is expected to average 1.2 percent per year.
- Average salaries are marginally lower in Los Angeles County than they are across the state. Real average salaries in Los Angeles County are forecasted to increase by an average of 0.6 percent per year over the next 5 years, which will be almost identical to statewide growth.
- Employment growth will be led by education and healthcare, leisure and hospitality, professional and business services, and manufacturing. Together, these industries will account for 72 percent of net job creation between 2015 and 2020.
- From 2015 to 2020, population growth will average 0.7 percent per year, almost twice as fast as the previous five years. The natural increase will be responsible for almost all growth, as net migration will be low.
- Over the 2015-2020 period, an average of 21,400 new housing permits will be issued. Some of these will be part of the Newhall Ranch project. Located in the Santa Clarita Valley, this development will produce more than 20,000 homes, although most will be constructed after the year 2020.
- Real per capita income will increase at a rate of 4.1 percent in 2015. Over the 2015 to 2020 period, growth is expected to average 1.6 percent per year.
- Total taxable sales are expected to increase by an average of 0.9 percent per year from 2015 to 2020.
- Industrial production is expected to increase by 4.5 percent in 2015. From 2015 to 2020, the growth rate of industrial production is expected to average 3.6 percent per year.



Los Angeles County Economic Forecast

2006-2014 History, 2015-2040 Forecast

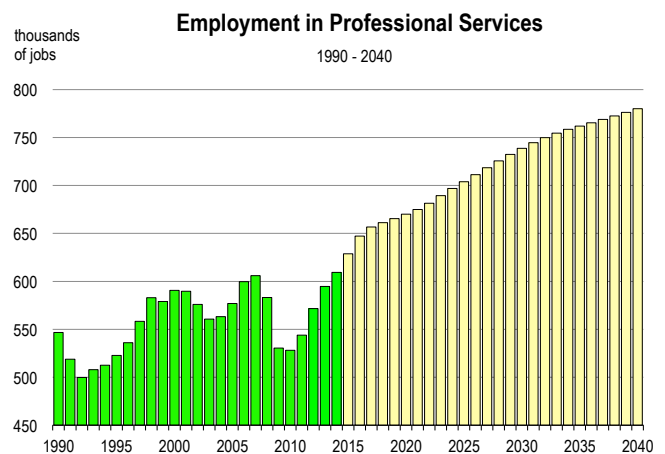
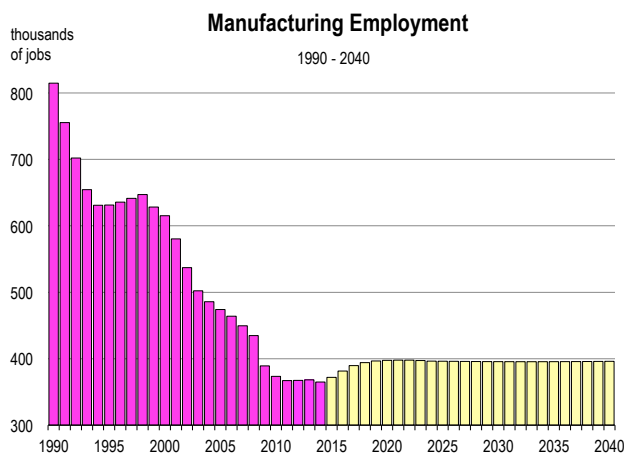
	Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2006	9,787,327	-111,749	7.6	3,196.2	26,348	\$136.2	\$384.7	\$45,284	4.3	312.1	110.5	4.8
2007	9,773,894	-106,087	7.6	3,207.8	20,363	\$137.8	\$398.3	\$45,454	3.3	282.6	110.5	5.1
2008	9,796,812	-69,939	7.5	3,224.1	13,704	\$131.9	\$410.5	\$45,143	3.5	243.8	113.4	7.6
2009	9,805,233	-78,699	7.4	3,233.5	5,653	\$112.7	\$395.4	\$43,793	-0.8	205.9	104.7	11.6
2010	9,825,077	-58,953	7.4	3,239.3	7,468	\$116.9	\$404.5	\$44,182	1.2	186.8	101.8	12.5
2011	9,862,431	-37,263	7.4	3,244.1	10,362	\$126.4	\$425.7	\$45,115	2.7	180.9	99.3	12.2
2012	9,946,947	13,294	7.4	3,249.8	11,715	\$135.3	\$455.8	\$46,941	2.0	194.6	101.9	10.9
2013	10,013,265	-4,210	7.6	3,258.2	16,850	\$140.1	\$466.1	\$47,175	1.1	203.6	101.8	9.8
2014	10,069,036	-9,648	7.8	3,268.3	18,841	\$146.4	\$488.5	\$48,513	1.3	204.9	103.6	8.3
2015	10,131,200	-416	7.9	3,285.4	20,870	\$153.0	\$516.3	\$50,487	0.9	203.4	108.2	7.4
2016	10,198,130	4,359	8.0	3,304.4	21,295	\$160.6	\$551.5	\$52,030	3.0	202.1	112.8	6.4
2017	10,266,060	5,461	8.1	3,323.2	21,624	\$166.6	\$580.2	\$52,767	3.1	200.8	117.1	6.1
2018	10,334,180	5,858	8.2	3,342.3	21,640	\$172.4	\$607.0	\$53,318	2.8	199.6	121.2	6.0
2019	10,401,380	5,552	8.3	3,361.3	21,510	\$178.3	\$634.5	\$53,947	2.7	198.4	125.4	5.9
2020	10,468,930	7,041	8.4	3,380.5	21,472	\$184.0	\$663.5	\$54,541	2.8	197.3	129.5	5.8
2021	10,535,400	7,048	8.5	3,399.4	20,296	\$189.6	\$693.5	\$55,079	2.9	196.2	133.3	5.9
2022	10,598,870	5,794	8.5	3,417.1	18,304	\$194.9	\$723.3	\$55,477	2.9	195.2	137.1	5.8
2023	10,660,860	5,556	8.6	3,433.2	15,928	\$200.5	\$752.5	\$56,002	2.5	194.3	141.2	5.8
2024	10,721,420	5,581	8.6	3,447.2	13,631	\$206.7	\$784.4	\$56,711	2.4	193.4	144.9	5.8
2025	10,780,790	6,039	8.7	3,459.2	12,900	\$213.2	\$818.4	\$57,373	2.6	192.5	149.0	5.8
2026	10,836,450	3,988	8.7	3,470.3	12,755	\$219.9	\$852.4	\$57,913	2.7	191.7	153.3	5.8
2027	10,890,540	4,688	8.8	3,481.7	12,723	\$227.2	\$886.6	\$58,393	2.7	190.9	157.9	5.8
2028	10,941,900	4,154	8.8	3,492.8	12,831	\$235.0	\$921.3	\$58,942	2.5	190.2	162.9	5.8
2029	10,989,090	2,156	8.9	3,503.8	13,332	\$243.0	\$956.9	\$59,607	2.3	189.5	168.3	5.8
2030	11,033,560	1,621	8.9	3,515.5	14,238	\$251.7	\$993.6	\$60,341	2.2	188.8	173.9	5.8
2031	11,077,680	3,325	8.9	3,528.3	15,034	\$261.5	\$1,031.2	\$61,115	2.1	188.2	179.6	5.8
2032	11,119,330	2,776	9.0	3,541.4	15,622	\$272.2	\$1,069.8	\$61,768	2.3	187.6	185.5	5.7
2033	11,157,700	1,481	9.0	3,555.0	15,041	\$283.0	\$1,108.6	\$62,619	1.9	187.0	191.6	5.7
2034	11,192,730	185	9.1	3,568.1	14,091	\$293.9	\$1,150.5	\$63,470	2.1	186.4	197.9	5.8
2035	11,224,330	-1,110	9.2	3,580.3	13,863	\$304.6	\$1,194.3	\$64,313	2.2	185.9	204.5	5.7
2036	11,252,860	-2,147	9.2	3,592.4	13,891	\$315.3	\$1,240.7	\$64,982	2.6	185.4	211.2	5.7
2037	11,278,100	-3,434	9.2	3,604.5	14,098	\$325.7	\$1,288.4	\$65,587	2.7	184.9	218.2	5.7
2038	11,302,510	-2,466	9.3	3,617.0	14,434	\$335.9	\$1,336.9	\$66,280	2.5	184.5	225.4	5.7
2039	11,325,510	-2,498	9.3	3,629.7	14,789	\$346.0	\$1,388.3	\$66,914	2.7	184.1	231.6	5.7
2040	11,346,360	-3,531	9.4	3,642.6	15,220	\$355.9	\$1,440.5	\$67,574	2.6	183.7	239.7	5.7

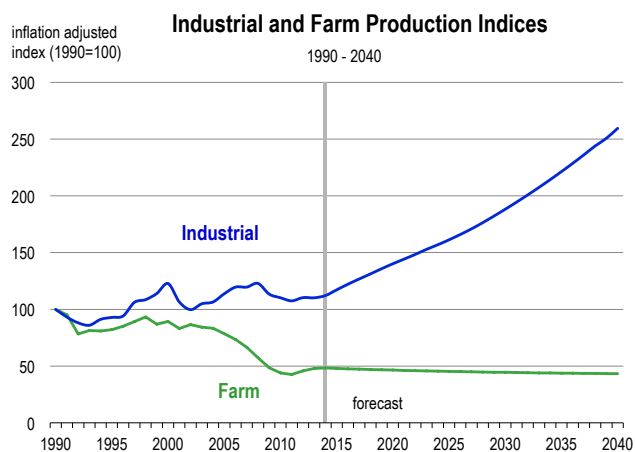
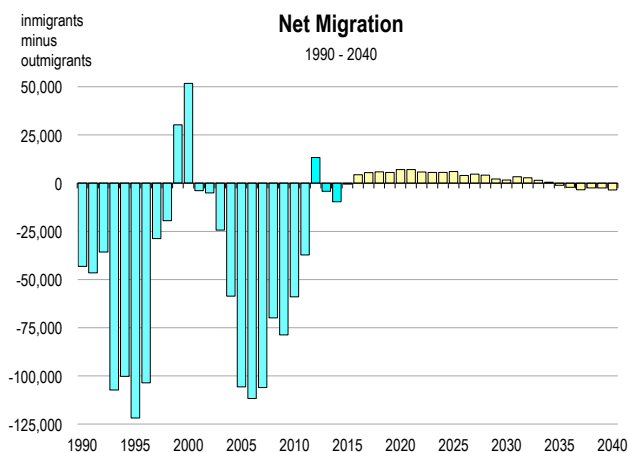
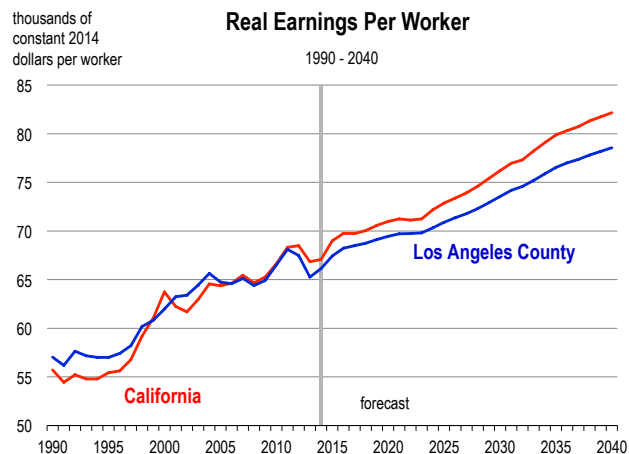
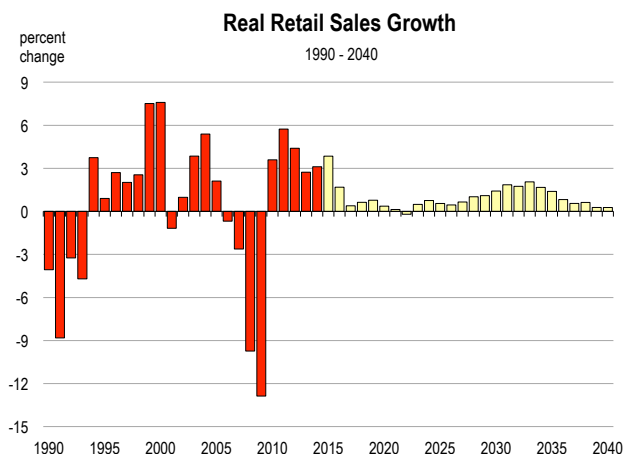


Los Angeles County Employment Forecast

2006-2014 History, 2015-2040 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)											
2006	4,202.2	7.63	157.5	464.1	165.2	647.3	246.8	599.6	205.7	581.1	388.6	589.4
2007	4,236.5	7.50	157.6	449.4	165.6	653.5	243.9	606.0	209.9	598.0	397.9	595.7
2008	4,192.3	6.89	145.2	434.7	163.1	640.7	233.4	583.2	210.4	619.0	401.6	603.7
2009	3,957.2	6.19	117.3	389.3	151.2	591.9	216.1	530.3	191.3	640.0	385.6	595.8
2010	3,896.3	6.23	104.5	373.3	150.6	589.9	209.6	528.1	191.6	637.3	384.8	579.6
2011	3,917.2	5.63	105.1	366.9	151.8	598.8	208.6	544.0	192.0	643.2	394.7	565.5
2012	4,015.9	5.40	109.2	367.4	154.5	613.0	211.0	571.6	191.5	674.3	415.4	556.8
2013	4,135.3	5.48	116.2	368.2	157.5	624.7	211.7	594.7	196.4	719.6	439.3	551.2
2014	4,231.7	5.27	120.2	364.9	162.7	638.0	209.7	609.4	195.9	748.0	464.6	556.7
2015	4,318.4	5.27	123.2	371.9	167.5	642.8	210.4	628.7	199.8	765.6	477.9	564.9
2016	4,405.0	5.26	124.9	381.4	171.3	645.7	214.4	647.2	203.0	782.5	494.7	569.6
2017	4,462.9	5.25	125.4	389.6	174.2	646.1	215.8	656.7	206.0	793.3	508.4	573.8
2018	4,505.7	5.24	126.6	394.1	176.3	646.3	217.0	661.2	208.1	807.9	516.3	576.2
2019	4,540.4	5.22	127.1	396.6	177.8	647.8	217.5	665.4	209.8	822.2	521.0	577.8
2020	4,572.8	5.21	127.6	397.5	179.4	648.7	218.2	670.0	211.6	836.7	523.2	581.7
2021	4,599.1	5.20	128.5	397.8	180.9	649.2	218.5	674.9	213.2	851.4	524.3	580.9
2022	4,627.0	5.18	128.9	397.8	182.5	649.1	218.9	681.4	214.6	866.6	524.8	581.4
2023	4,656.0	5.17	128.4	397.2	184.2	650.1	218.8	689.4	215.7	882.2	525.2	582.3
2024	4,682.3	5.16	127.6	396.4	185.7	651.5	219.0	696.9	217.0	895.6	524.8	583.9
2025	4,708.0	5.14	125.5	396.2	187.3	652.7	219.5	703.9	218.4	908.3	525.5	585.3
2026	4,735.4	5.13	125.5	396.1	188.9	653.7	219.8	711.2	219.8	920.4	526.8	586.6
2027	4,764.2	5.12	126.0	395.9	190.5	655.0	219.9	718.5	221.1	932.6	528.5	588.0
2028	4,794.2	5.11	126.9	395.7	192.1	656.9	220.0	725.6	222.4	944.8	530.5	589.4
2029	4,825.6	5.10	127.9	395.6	193.7	658.9	220.2	732.4	223.7	957.4	533.5	590.9
2030	4,858.4	5.09	129.2	395.6	195.3	661.5	220.4	738.7	225.1	970.3	536.9	592.5
2031	4,892.3	5.08	130.9	395.5	196.9	664.8	220.7	744.6	226.4	983.3	540.6	594.1
2032	4,925.7	5.07	132.8	395.5	198.5	668.0	221.0	749.8	227.7	996.2	544.7	595.5
2033	4,958.5	5.06	134.8	395.5	200.1	671.6	221.0	754.5	229.0	1,009.1	548.0	597.2
2034	4,989.7	5.05	136.1	395.5	201.7	674.8	221.1	758.5	230.4	1,022.0	551.6	598.8
2035	5,019.4	5.04	136.7	395.5	203.3	677.5	221.3	761.9	231.7	1,034.9	555.4	600.4
2036	5,048.8	5.04	137.7	395.6	204.8	679.2	221.4	765.3	233.0	1,047.9	559.5	601.8
2037	5,077.6	5.03	138.8	395.7	206.4	680.5	221.2	768.9	234.4	1,061.0	563.5	603.2
2038	5,106.6	5.02	140.1	395.8	208.0	681.8	221.0	772.5	235.7	1,074.1	567.3	604.7
2039	5,135.7	5.02	141.5	395.9	209.6	682.6	220.8	776.2	237.0	1,087.2	571.3	606.1
2040	5,164.8	5.01	143.0	396.0	211.2	683.3	220.6	780.0	238.4	1,100.3	575.4	607.6





County Economic and Demographic Indicators

Projected Economic Growth (2015-2020)

Expected retail sales growth:	3.9%
Expected job growth:	5.9%
Fastest growing jobs sector:	Leisure Services
Expected personal income growth:	11.6%

Expected population growth:	3.3%
Net migration to account for:	8.4%
Expected growth in number of vehicles:	6.5%

Demographics (2015)

Unemployment rate (March 2015):	7.2%
County rank* in California (58 counties):	29th
Working age (16-64) population:	67.3%

Population with B.A. or higher:	29.8%
Median home selling price (2014):	\$455,000
Median household income:	\$54,514

Quality of Life

Violent crime rate (2013):	395 per 100,000 persons
County rank* in California (58 counties):	33rd
Average commute time to work (2015):	32.6 minutes

High school drop out rate (2014):	12.8%
Households below poverty line (2015):	14.9%

* The county ranked 1st corresponds to the lowest rate in California